ICD-9-CM: The International Classification of Diseases, Ninth Revision, Clinical Modification, classifies both diagnoses (Volumes 1 and 2) and procedures (Volume 3). All hospitals and ambulatory care settings use it to capture diagnoses for administrative transactions. The procedure system is used for all in-patient procedure coding for administrative transactions. The ICD-9-CM was adopted for use in January 1979.

The ICD-9-CM Coordination and Maintenance Committee is a Federal interdepartmental committee charged with maintaining and updating the ICD-9-CM. Requests for modification are handled through the ICD-9-CM Coordination and Maintenance Committee; no official changes are made without being brought before this committee. Suggestions for modifications come from both the public and private sectors and interested parties are asked to submit recommendations for modification prior to a scheduled meeting.

Modifications are not considered without the expert advice of clinicians, epidemiologists, and nosologists (both public and private sectors). The meetings are open to the public and are announced in the **Federal Register**; all interested members of the public are invited to attend and submit written comments. Meetings are held twice each year.

Approved modifications become effective October 1 of the following year. Changes to ICD-9-CM are published on the NCHS and HCFA websites, as well as by the American Hospital Association (AHA) and other private sector vendors.

The Health Care Financing Administration Procedure Coding System (**HCPCS**) contains three levels. Level 1, CPT, is developed and maintained by the AMA and captures physician services. Level 2, alpha-numeric HCPCS, contains codes for products, supplies, and services not included in CPT. Level 3, local codes, includes all the codes developed by insurers and agencies to fulfill local needs

CPT: Physicians' Current Procedural Terminology is used by physicians and other health care professionals to code their services for administrative transactions. CPT is used by all physicians and many other practitioners to code their services. It is also used by hospital outpatient departments to code certain ambulatory services.

Alpha-numeric HCPCS: Alpha-numeric HCPCS contains codes for medical equipment and supplies; prosthetics and orthotics; injectable drugs; transportation services; and other services not found in CPT. Alpha-numeric codes are level 2 of HCPCS. Its use is generally limited to ambulatory settings. The "J" codes within alpha-numeric HCPCS are for drugs (Note: one would normally assume that "D" could be used as an abbreviation for Drugs but "D" was already used for Dental codes.)

NDC: National Drug Codes, developed by the Food and Drug Administration, are used in reporting prescription drugs in pharmacy transactions and some claims by health care professionals. The codes are assigned when the drugs are approved or repackaged and may be found on the packaging of drugs.

A separate coding system, the NDC, is also used to report drug claims in the ANSI X12N 837 -- Health Care Claim: Professional and in pharmacy transactions. The NDC system, which has 11-digit codes, is more precise and more current than the HCPCS "J" codes. NDC identifies drugs prescribed down to the manufacturer, product name and package size. NDC codes are assigned on a continuous basis throughout the year as new drug products are issued; "J" codes are assigned on an annual basis. Many providers are currently forced to maintain both "J" and NDC codes to provide data to different insurers. The majority of the local codes currently created were developed because of the lack of a "J" code for a new drug. Local codes are level 3 of the HCPCS and are assigned by local insurers or agencies where there is no national code. By eliminating "J" codes from alpha-numeric HCPCS codes and utilizing only NDC codes for drugs, greater national uniformity can be achieved, the workload of providers who previously had to utilize two drug coding systems will be reduced, and the need for local codes will diminish substantially.